BEFORE THE STATE CORPORATION COMMISSION THE STATE OF KANSAS

In the Matter of the Application of)Mid-Kansas Electric Company, LLC)for Approval to Make Certain Changes)in its Charges for Electric Service)

Docket No. 09-MKEE-___-RTS

DIRECT TESTIMONY OF

NOMAN L. WILLIAMS

1		I. <u>INTRODUCTION</u>
2	Q.	Please state your name.
3	A.	My name is Noman L. Williams.
4		
5	Q.	Are you an officer of Mid-Kansas Electric Company, LLC ("Mid-Kansas")?
6	A.	Yes, I am Vice President of Transmission Services & Engineering for Mid-
7		Kansas.
8		
9	Q.	By whom are you employed and what is your business address?
10	A.	I am employed by Sunflower Electric Power Corporation ("Sunflower"). My
11		business address is 301 W. 13 th Street, Hays, Kansas.
12		
13	Q.	Are you an officer of Sunflower?
14	A.	Yes, I am the Vice President of Transmission Services & Engineering for
15		Sunflower.
16		
17	Q.	What is Sunflower's relationship with Mid-Kansas?
18	A.	Sunflower provides contract services to Mid-Kansas for all of the generation and
19		transmission activities of Mid-Kansas.
20		
21	Q.	Please provide information about your educational background and your
22		work experience.

1	А.	In 1981, I graduated from Washington State University with a Bachelor of
2		Science Degree in Electrical Engineering with a minor in Economics. In 1982
3		and 1983, I completed 20 credit hours of course work in the MBA program at
4		Eastern Washington University. In 2003, I completed the MBA program at
5		Colorado State University. From 1981 to 1988, I was employed at Washington
6		Water Power Company in Spokane, Washington as a transmission planning
7		engineer and as a distribution engineer. During that time I was responsible for (1)
8		developing plans and schedules for transmission facilities by performing and
9		analyzing load flow and stability studies and (2) providing engineering support
10		for all company underground distribution and 1000 miles of distribution line
11		serving 200 MW of load. In May 1988, I began employment with Sunflower as a
12		transmission engineer. In 1990, I was promoted to Supervising Engineer in the
13		transmission engineering area. In April 1997, I was promoted to Manager,
14		Transmission Engineering. In August, 1997, I was promoted to Manager,
15		Transmission Services I was subsequently promoted to Senior Manager,
16		Transmission Services in August, 2000 and Executive Manager, Transmission
17		Services and Engineering in May, 2005. In May, 2006, I was promoted to my
18		current position as Vice President, Transmission Services & Engineering for
19		Sunflower and Mid-Kansas.
20		
21	Q.	Do you belong to any professional organizations?

- Q.
- 22 A. Yes, I do. I am a member of IEEE and NSPE.

1	Q.	Have you testified before the Kansas Corporation Commission on previous
2		occasions?
3	A.	Yes, I have testified before the Commission in Docket 96-SEPE-680-CON,
4		Docket 08-ITCE-936-COC and Docket No. 08-PTWE-1022-COC.
5		
6	Q.	What is the purpose of your testimony today?
7	A.	The purpose of my testimony is to support and explain Mid-Kansas' position that
8		the transmission assets operated by Mid-Kansas meet the criteria of Transmission
9		Facilities as defined in Attachment AI of the Southwest Power Pool Open Access
10		Transmission Tariff (SPP-OATT) and request that the Commission affirm this
11		position.
12		
13		III. GENERAL BACKGROUND ON MID-KANSAS
14	Q.	Please describe the Mid-Kansas organization.
15	A.	Mid-Kansas is a limited liability company operated on a not-for-profit basis that
16		was formed by the Sunflower Members ¹ to own and operate the Kansas electric
17		assets of Aquila, Inc. Those assets included generation and transmission
18		facilities, electric distribution facilities that serve a certified service territory
19		consisting of approximately 71,000 meters in 31 counties, and 22 full and partial
20		wholesale requirements municipalities that serve approximately 23,000 meters ² .
21		The acquisition of the Kansas electric assets was approved by the Commission on

¹ The Mid-Kansas Members are Lane-Scott Electric Cooperative, Inc.; Prairie Land Electric Cooperative, Inc.; The Victory Electric Cooperative Association, Inc.; The Western Cooperative Electric Association, Inc.; Wheatland Electric Cooperative, Inc. and; Southern Pioneer Electric Company, which is a whollyowned subsidiary of Pioneer Electric Cooperative, Inc. ² As of the date that the Aquila Kansas electric properties were acquired by Mid-Kansas, April 1, 2007.

1		February 23, 2007, in Docket No. 06-MKEE-524-ACQ and closed effective April
2		1, 2007.
3		
4	Q.	Please describe how Mid-Kansas is operated.
5	А.	Since the closing date, the Mid-Kansas Members have operated all distribution
6		facilities and have served the former Aquila customers on Mid-Kansas's behalf,
7		all pursuant to Commission approved agreements. Effective December 31, 2007,
8		pursuant to the Commission's order in Docket No. 08-MKEE-099-MIS,
9		ownership of the distribution facilities were transferred from Mid-Kansas to its
10		respective Members. Sunflower operates the generation and transmission assets
11		of Mid-Kansas pursuant to the Service and Operation Agreement between
12		Sunflower and Mid-Kansas.
13		
14	Q	What is your relationship to Mid-Kansas?
15	A.	As noted above, Sunflower operates Mid-Kansas' generation and transmission
16		facilities for Mid-Kansas. Thus, I have responsibility to oversee transmission
17		matters for Mid-Kansas.
18		
19	Q.	Please explain the relationship between Sunflower and Mid-Kansas.
20	A.	Mid-Kansas, like Sunflower, is a public utility, fully regulated by the
21		Commission under K.S.A. 66-104. Both own and operate electric generation and
22		transmission facilities and both are owned (directly or indirectly) by the same six
23		distribution cooperatives. However, each is a separate legal entity with separate

1		and distinct corporate interests. Thus, when Sunflower employees act on behalf
2		of Mid-Kansas, they must adhere to Mid-Kansas,' not Sunflower's, corporate
3		interests.
4		
5	Q.	Please provide detail on the generation and transmission facilities Mid-
6		Kansas owns within the state of Kansas?
7	A.	Mid-Kansas owns approximately 1083 miles of transmission line facilities and
8		associated substation facilities and 395 MW of gas-fired generation. The
9		transmission facilities consist of 932 miles of 115 kV, 76 miles of 138 kV and 171
10		miles of 230 kV transmission line and 40 substations. As noted above, Mid-
11		Kansas also currently retains the exclusive right to serve approximately 71,000
12		retail meters and serves approximately 23,000 additional retail meters through full
13		and partial wholesale power contracts with 22 municipalities.
14		
15	Q.	Please explain why the Commission needs to affirm that the transmission
16		facilities of Mid-Kansas are compliant with the requirements of SPP-OATT
17		Attachment AI.
18	A.	In FERC Docket No.ER-05-1285-000, SPP sought approval of a new definition of
19		transmission facilities to be incorporated into Attachment AI of the SPP-OATT
20		("Attachment AI"). The compliance filing of Attachment AI specified the criteria
21		of "Transmission Facilities" to be included in Attachment AI. Attachment AI
22		required that within three years from the acceptance by FERC that each
23		Transmission Owner file a request based on the criteria contained within

Page 6

1		Attachment AI with its appropriate regulatory authority or authorities for a
2		determination as to which of its facilities are Transmission Facilities. The three
3		year time frame expired in September 2008. Prior to this date, Mid-Kansas
4		submitted a filing with the Commission in Docket No. 09-SNFE-315-MIS,
5		asserting that all of its transmission facilities meet the requirements of Attachment
6		AI, and committed to provide the Commission further information with respect to
7		Mid-Kansas transmission facilities in Mid-Kansas' next general rate case filing.
8		
9	Q.	Specifically, what criteria in Attachment AI are used to define "Transmission
10		Facilities"?
11	A.	Transmission Facilities as defined in Attachment AI are those facilities that meet
12		the following criteria:
13		1. All existing non-radial power lines, substations, and associated facilities,
14		operated at 60kV or above, plus all radial lines and associated facilities operated
15		at or above 60kV that serve two or more eligible customers not Affiliates of each
16		other. Rate treatment for transmission upgrades completed after October 1, 2005
17		will be determined pursuant to Section 1.3(h) of the Tariff. For purpose of the
18		application of these criteria, "open loops" are radial lines. Additionally, at such
19		time an existing radial would be eligible for inclusion in rates on the same basis as
20		the remainder of the facilities in the loop.
21		2. All facilities that are utilized for interconnecting the various internal zones
22		to each other as well as those facilities that interconnect SPP with surrounding
23		entities.

1		3. Control equipment and facilities necessary to control and protect facilities
2		qualifying as Transmission Facilities.
3		4. For substations connected to power lines qualifying as Transmission
4		Facilities, where power is transformed from a voltage higher than 60kV to a
5		voltage lower than 60kV, facilities on the high voltage side of the transformer will
6		be included with the exception of transformer isolation equipment.
7		5. The portion of the direct-current interconnections with areas outside of the
8		SPP region (DC ties) that are owned by a Transmission Owner in the SPP region,
9		including those portions of the DC tie that operate at a voltage lower than 60kV.
10		6. All facilities operated below 60kV that have been determined to be
11		transmission pursuant to the seven (7) factor test set forth in FERC order No. 888,
12		61 Fed Reg. 21,540,21,620 (1996), or any applicable successor test.
13		
14	Q.	Mr. Williams, have you reviewed the transmission facilities of Mid-Kansas to
15		see if they meet the criteria set forth in Attachment AI?
16	А.	Yes, I have.
17		
18	Q.	In your professional opinion, do all of the Mid-Kansas transmission facilities
19		meet the criteria in Attachment AI?
20	A.	Yes.
21		
22	Q.	Are there any transmission facilities of Mid-Kansas that you would like to
23		offer further comment with respect to their applicability to Attachment AI?

1	A.	Yes. Mid-Kansas has three radial transmission lines that I would like to offer
2		further explanation as to why they should be classified as Transmission Facilities
3		within Attachment AI. These 115 kV radial lines, as shown on Exhibit NLW -1,
4		are identified as West Dodge to Haggard, Great Bend Station to Otis and Pioneer
5		Tap to Ellsworth.
6		
7	Q.	Please explain why these radial 115kV lines are properly classified as
8		transmission.
9	A.	All three of the radial lines are properly classified as transmission because they
10		provide a wholesale for wholesale delivery of power and energy to the Mid-
11		Kansas Members, wholesale municipalities, to network transmission customers
12		(NITS) such as KEPCo, KMEA and KPP and provide for the interconnection of
13		wholesale generation (Grey County wind farm).
14		
15	Q.	Are there any transmission facilities of Mid-Kansas that could be properly
16		classified as distribution?
17	A.	No, because all three of these transmission lines provide a form and function
18		above distribution.
19		
20	Q.	What is Mid-Kansas specifically asking of the Commission?
21	A.	Mid-Kansas requests that the Commission confirm that all of the transmission
22		facilities of Mid-Kansas meet the criteria of Attachment AI.
23		

1		VIII. CONCLUSION
2	Q.	Does this conclude your testimony?
3	A.	Yes, it does.
4		
5		
6		
7		

VERIFICATION OF NOMAN L. WILLIAMS

STATE OF KANSAS)) ss: COUNTY OF ELLIS)

Noman L. Williams, being first duly sworn, deposes and says that he is Noman L. Williams referred to in the foregoing document entitled "Direct Testimony of Noman L. Williams" before the State Corporation Commission of the State of Kansas and that the statements therein were prepared by him or under his direction and are true and correct to the best of his information, knowledge and belief.

y and I when

Noman L. Williams

SUBSCRIBED AND SWORN to before me this 12 day of June, 2009.

Notary Public

My Appointment Expires: 11/05/12-

